January 2026 Payroll Updates

IMPORTANT NOTE

According to an email notice sent out by the CRA, their *electronic filing systems for information returns will not be accepting XML file submissions from December 23, 2025, to January 11, 2026. You can resume filing starting January 12, 2026.*

You can still do your update and create the file(s), however, you cannot submit the file(s) until then.

XML Error Report

To help smooth the XML file upload process, we've added an error checker that prints a report if it finds a problem with the data (typically a missing dental code) before sending the file to the CRA. If an error is found when generating the XML file, the system will print an **Error Report**, identifying the employee and the error. You can then fix the error and regenerate the XML file.

Payroll Update Do's and Don'ts

The following are things you should and should not do **prior to running** the Payroll year-end for 2024:

- **DO…** Complete the last payroll for cheques dated in 2025.
- **DON'T…** Process time transactions for payroll cheques that will be dated in 2026. This will may mess up accumulators.
- **DON'T…** Process a payroll cheque dated 2026 even if it includes time transactions for 2025.
- **DO…** Calculate journal entries.

After completing the last payroll for 2025 (cheques dated in 2025), this includes generating journal entries, follow these steps in sequence to prepare your Payroll files for the 2026 tax year. Repeat these steps for each company ID within SAMCO that you do payroll.

Closing the 2025 Payroll

The fundamental idea is to take a snapshot of the 2025 files, placing them in their own folder for viewing/reporting, and then run the T4/T4A/Releve1 forms through the **Employee History** function.

1. Go to **Payroll » [F2] » Year end**;

2. Select **Create employee history** from the menu list;

3. If you have accumulators that need to be zeroed out manually, run **Initialize accumulators**. At 'Do you wish to run this update?' **Enter 'Y'**. If you have accumulators that you do this for every year, change the *Zero at year end* flag within each Accumulator affected to **Y**;

4. Run **Year end closing** to zero out accumulators and prepare the Payroll files for the new year.

Once you have closed payroll for 2025:

1. Apply the January 2026 tax changes by running **Payroll » [F2] » Apply Tax Changes for Jan 2026.** If the menu selection says otherwise, stop and call SAMCO Support at 604-597-4211 or email support@samco.com. **Do not continue** as the software update containing the 2026 tax changes has not been installed on your system yet;

2. Answer **Y** to *Do you wish to run this update?;*

3. Enter **Y** to *Do you wish to continue?;*

4. The data has now been updated.

Next, go to the **Payroll » [F2] » Setup » Control information** and confirm the following:

- **MC Number** is 122
- **Tax year** is 2026

If you do not see these numbers, please contact support@samco.com and we will gladly assist you.

It is only **after this update** is done that you can run your first payroll for 2026, and generate T4, T4A, and Releve 1 forms.

Repeat the above steps for each company ID within SAMCO that you do payroll in.

To Print Slips and Summaries

***NOTE:** If you need to set the employee Pension adjustment value prior to printing T4s, go to **Payroll » Employee History » 2025 » Set pension adj from accum**.*

Go to **Payroll » Employee history » 2025 » Print Historical T4 / T4A or Releve Slips** and fill in the fields, following the prompts at the bottom of the screen. At the form ID field enter **25EMP** to print/email the forms, or press **F1** to generate an XML file for submission to the CRA.

The **Data type** field will ask if this is original, amended, or a cancellation. It is an original if the form has not already been submitted. If you need to reissue **because of changes**, it is an amendment. If you are cancelling a submission, it is a cancellation.

When generating an XML file (T4, T4A or Releve 1), the system now runs a check to see if there are any identifiable errors (such as no dental plan code). If it finds an error, you will be prompted for a printer, and an **ERROR REPORT** will be printed showing the employee and the issue for you to fix. The XML file is still created, however, we recommend fixing the error and regenerating the XML file.

Immediately after printing the slips, select the printer for the **Summary** – normally a standard laser printer or PDF.

NOTE: Refer to Chapter 20 in the on-line Canadian Payroll manual (https://www.samco.com/support/user-manuals/Payroll_Manual_14_07_35.pdf) for details.

If you have any questions or concerns regarding this process, please do not hesitate to give us a call at 604-597-4211 or email support@samco.com. We'll be more than happy to help out.